Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application:

Listing of Claims:

1. (Previously presented) A method of making water-soluble chitosan, said method comprising the steps of:

contacting water-insoluble chitosan with a basic solution for a first period of time;

rinsing the water-insoluble chitosan to remove any residual basic solution;
partially acetylating the water-insoluble chitosan in a reaction solution
containing a phase transfer agent to form partially acetylated water-soluble chitosan;
dissolving the partially acetylated water-soluble chitosan in an aqueous
solution containing a surfactant;

adjusting a pH of the aqueous solution to a pH of at least 7.0; adding a water-miscible solvent into the aqueous solution having a pH of at least 7.0;

further adjusting the pH of the aqueous solution to a pH of at least 8.0 to cause precipitation of water-soluble chitosan having low endotoxin content;

separating the water-soluble chitosan having an endotoxin content of less than about 100 equivalent units per gram of dry water soluble chitosan from the aqueous solution; and

washing the water-soluble chitosan having low endotoxin content with the water-miscible solvent.

- 2. (Original) The method of Claim 1, wherein the basic solution comprises a 1M NaOH solution.
- 3. (Original) The method of Claim 1, wherein the first period of time ranges from about 1 hour to about 6 hours.
- 4. (Original) The method of Claim 3, wherein the first period of time ranges from about 2 hour to about 6 hours.

5. (Original) The method of Claim 1, wherein the aqueous solution having a pH of at least 7.0 comprises an aqueous solution having a pH of about 7.2.

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- 6. (Original) The method of Claim 1, wherein the rinsing step comprises rinsing the water-insoluble chitosan with endotoxin-free water.
- 7. (Original) The method of Claim 1, wherein the reaction solution contains an acetylating agent selected from the group consisting of acetyl halides, acetic anhydride, and combinations thereof.
- 8. (Original) The method of Claim 7, wherein the acetylating agent comprises acetic anhydride.
- 9. (Original) The method of Claim 1, wherein the phase transfer agent comprises a quaternary ammonium salt, a quaternary phosphonium salt, a crown ether, or a pyridinium salt.
- 10. (Original) The method of Claim 1, wherein the phase transfer agent comprises a quaternary ammonium salt having a structure as shown in Equation I below:

$[A]_w[B]_x[C]_v[D]_zN+Q(I)$

wherein:

each of w, x, y, and z is independently an integer from 0 to 4 and w+x+y+z=4; Q is a counter-ion selected from F, C1, Br, Γ , CH₃COO, OH, HSO₄, NO₃, PF₆, BF₄, HCOO and H₂PO₄; and

- A, B, C and D are each independently selected from C_1 . C_{18} alkyl; phenyl in which the phenyl ring is unsubstituted or substituted by C_1 . C_8 alkyl, C_1 - C_8 alkoxy, halo, hydroxy, phenoxy, nitro, carboxy, acetamido, or aryl; benzyl; and cycloalkyl have 5-6 ring member of heterocyclic ring system.
- 11. (Previously Presented) The method of Claim 10, wherein the quaternary ammonium salt comprises tetrabutylammonium bromide.

12. (Previously presented) The method of Claim 1, wherein the phase transfer agent comprises a quaternary phosphonium salt having a structure as shown in Equation II below:

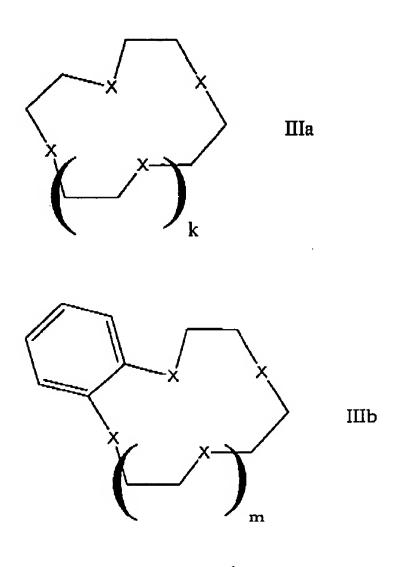
 $[A]_w[B]_x[C]_y[D]_2P^+Q^-(II)$

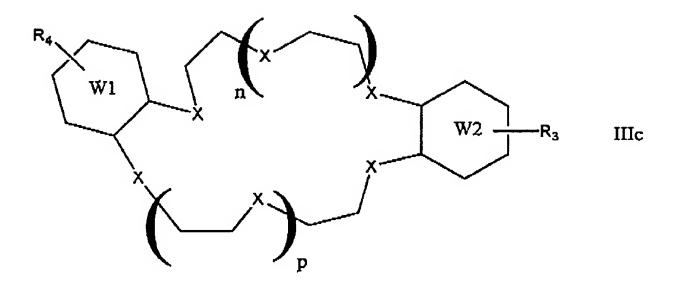
wherein:

each of w, x, y, and z is independently an integer from 0 to 4 and w+x+y+z=4; Q is a counter-ion selected from F, C1, Br, I, CH₃COO, OH, HSO₄, NO₃, PF₆, BF₄, HCOO and H₂PO₄; and

A, B, C and D are each independently selected from C₁-C₁₈ alkyl; phenyl in which the phenyl ring is unsubstituted or substituted by C₁-C₈ alkyl, C₁-C₈ alkoxy, halo, hydroxy, phenoxy, nitro, carboxy, acetamido, or aryl; benzyl; and cycloalkyl have 5-6 ring member of heterocyclic ring system.

13. (Original) The method of Claim 1, wherein the phase transfer agent comprises at least one crown ether having a structure as shown in Equations IIIa-IIIc below:



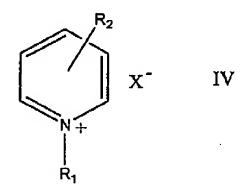


wherein each X independently represents O or S;

R₃ and R₄ each independently represent -H, C₁ to C₄ alkyl, or a halogen; W1 and W2 each independently represent a cycloaliphatic ring or an aromatic ring; and

k, m, n and p each independently represent integers ranging from 1 to 3.

14. (Original) The method of Claim 1, wherein the phase transfer agent comprises at least one pyridinium salt having a structure as shown in Equation IV below:



wherein:

R₁ represents C₁ to C₁₈ alkyl, benzyl, or carboxymethyl;

R₂ represents C₁ to C₄ alkyl, chloro, fluoro, bromo, hydroxy, C₁ to C₄ alkoxyl or alkoxylcarbonyl; and

X represents a counterion of F, Cl, Br, I, or p-toluene sulfonate.

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- 15. (Original) The method of Claim 1, wherein the partially acetylated water-soluble chitosan has a degree of N- acetylation of from about 24% to about 55%, and a degree of O- acetylation of from about 1% to about 60%.
- 16. (Original) The method of Claim 1, wherein the surfactant comprises polyoxyethylene sorbitan monolaurate.
- 17. (Original) The method of Claim 1, wherein the steps of adjusting the pH of the aqueous solution comprises adding a second basic solution to the aqueous solution.
- 18. (Original) The method of Claim 17, wherein the second basic solution comprises a 0.025 M NaOH solution.
- 19. (Original) The method of Claim 1, wherein the aqueous solution has a pH ranging from about 7.0 to about 7.4 after the first pH adjusting step.
- 20. (Original) The method of Claim 1, wherein the water-miscible solvent comprises isopropanol.

21. (Cancelled)

- 22. (Previously presented) The method of Claim 1, wherein the water-soluble chitosan has an endotoxin content of less than about 50 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 23. (Currently amended) The method of Claim 1, wherein the water-soluble chitosan has an endotoxin content of less [[less]] than about 20 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 24. (Previously presented) A water-soluble chitosan having low endotoxin content formed by the method of Claim 1, wherein the water-soluble chitosan has an endotoxin content of less than about 100 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 25. (Previously presented) A water-soluble chitosan having low endotoxin content formed by the method of Claim 1, wherein the water-soluble chitosan has an

endotoxin content of less than about 50 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.

- 26. (Previously presented) A water-soluble chitosan having low endotoxin content formed by the method of Claim I, wherein the water-soluble chitosan has an endotoxin content of less than about 20 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 27. (Previously presented) A method for making water-soluble chitosan, said method comprising the steps of:

contacting water-insoluble chitosan with a NaOH solution for a first period of time of greater than I hour;

partially acetylating the water-insoluble chitosan in a reaction solution containing a phase transfer agent to form partially acetylated water-soluble chitosan;

dissolving the partially acetylated water-soluble chitosan in an aqueous solution containing a surfactant and having a pH of from about 7.0 [[at]] to about 7.4; and

adding a water-miscible solvent into the aqueous solution and further adjusting the pH of the aqueous solution to a pH of at least 8.0 to cause precipitation of water-soluble chitosan having an endotoxin content of less than about 100 equivalent units per gram of dry water soluble chitosan from the aqueous solution/water-miscible solvent mixture.

28. (Original) The method of Claim 27, wherein the method further comprises the steps of:

after the contacting step and prior to the acetylating step, rinsing the water-insoluble chitosan to remove any residual basic solution;

29. (Original) The method of Claim 27, wherein the method further comprises the steps of:

separating the water-soluble chitosan having low endotoxin content from the aqueous solution/water-miscible solvent mixture;

washing the water-soluble chitosan having low endotoxin content with the water-miscible solvent; and

drying the water-soluble chitosan having low endotoxin content.

- 30. (Original) The method of Claim 27, wherein the basic solution comprises a 1M NaOH solution.
- 31. (Original) The method of Claim 27, wherein the first period of time ranges from about 2 hours to about 6 hours.
- 32. (Original) The method of Claim 28, wherein the rinsing step comprises rinsing the water-insoluble chitosan with endotoxin-free water.
- 33. (Original) The method of Claim 27, wherein the reaction solution contains an acetylating agent selected from the group consisting of acetic anhydride.
- 34. (Original) The method of Claim 27, wherein the phase transfer agent comprises a quaternary ammonium salt, a quaternary phosphonium salt, a crown ether, or a pyridinium salt.
- 35. (Original) The method of Claim 27, wherein the phase transfer agent comprises a quaternary ammonium salt having a structure as shown in Equation I below:

$[A]_w[B]_x[C]_y[D]_zN+Q(I)$

wherein:

each of w, x, y, and z is independently an integer from 0 to 4 and w+x+y+z=4; Q is a counter-ion selected from F', C1', Br', I', CH₃COO', OH', HSO₄', NO₃', PF₆', BF₄', HCOO' and H₂PO₄'; and

A, B, C and D are each independently selected from C₁.C₁₈ alkyl; phenyl in which the phenyl ring is unsubstituted or substituted by C₁.C₈ alkyl, C₁-C₈ alkoxy, halo, hydroxy, phenoxy, nitro, carboxy, acetamido, or aryl; benzyl; and cycloalkyl have 5-6 ring member of heterocyclic ring system.

- 36. (Original) The method of Claim 27, wherein the phase transfer agent comprises tetrabutylammonium bromide.
- 37. (Original) The method of Claim 27, wherein the partially acetylated water-soluble chitosan has a degree of N- acetylation of from about 24% to about 55%, and a degree of O- acetylation of from about 1% to about 60%.

- 38. (Original) The method of Claim 27, wherein the surfactant comprises polyoxyethylene sorbitan monolaurate.
- 39. (Original) The method of Claim 27, wherein the aqueous solution has a pH ranging from about 7.0 to about 7.2 prior to adding the water-miscible solvent.
- 40. (Original) The method of Claim 27, wherein the water-miscible solvent comprises isopropanol.

41. (Cancelled)

- 42. (Previously presented) The method of Claim 27, wherein the water-soluble chitosan has an endotoxin content of less than about 50 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 43. (Previously presented) The method of Claim 27, wherein the water-soluble chitosan has an endotoxin content of less than about 20 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 44. (Previously presented) A water-soluble chitosan having an endotoxin content of less than about 100 equivalent units per gram of dry water soluble chitosan, formed by the method of Claim 27.
- 45. (Previously presented) A partially acetylated water-soluble chitosan having a degree of N- acetylation of from about 24% to about 55%, and a degree of O-acetylation of from about 0% to about 66%, wherein the water-soluble chitosan comprises less than about 100 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 46. (Original) The water-soluble chitosan of Claim 45, wherein the water-soluble chitosan comprises less than about 50 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.

- 47. (Original) The water-soluble chitosan of Claim 45, wherein the water-soluble chitosan comprises less than about 20 equivalent units (e.u.) of endotoxin per gram of dry water-soluble chitosan.
- 48. (Original) A pharmaceutically acceptable solution comprising the water-soluble chitosan of Claim 45 and at least one buffer material.
- 49. (Original) A pharmaceutically acceptable solution comprising the water-soluble chitosan of Claim 46 and at least one buffer material.
- 50. (Original) A pharmaceutically acceptable solution comprising the water-soluble chitosan of Claim 47 and at least one buffer material.
- 51. (Previously presented) A pharmaceutically acceptable solution comprising the water-soluble chitosan made by the method of Claim 1, and at least one buffer material.
- 52. (Previously presented) The pharmaceutically acceptable solution of claim 51, where the pharmaceutically acceptable solution is a contact lens cleaning solution.
- 53. (Previously presented) A pharmaceutically acceptable solution comprising the water-soluble chitosan made by the method of Claim 27 and at least one buffer material.
- 54. (Previously presented) The pharmaceutically acceptable solution of claim 53, where the pharmaceutically acceptable solution is a contact lens cleaning solution.
- 55. (Previously presented) A pharmaceutically acceptable solution comprising the water-soluble chitosan of Claim 44 and at least one buffer material.
- 56. (Previously presented) The pharmaceutically acceptable solution of claim 55, where the pharmaceutically acceptable solution is a contact lens cleaning solution.